

HIGHLY CONFIDENTIAL - J. HRASKA
UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:

Chapter 11

LEHMAN BROTHERS Case No. 08-13555 (JMP)
HOLDINGS, INC., et al., (Jointly Administered)

Debtors.
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* * *HIGHLY CONFIDENTIAL* * *

DEPOSITION OF JAMES HRASKA

New York, New York

August 14, 2009

Reported by:

KATHY S. KLEPFER, RMR, RPR, CRR, CLR

JOB NO. 24039

1 HIGHLY CONFIDENTIAL - J. HRASKA

2 August 14, 2009

3 9:25 a.m.

4
5 HIGHLY CONFIDENTIAL deposition
6 of JAMES HRASKA, held at Jones Day
7 LLP, 222 East 41st Street, LLP, New
8 York, New York, before Kathy S.
9 Klepfer, a Registered Professional
10 Reporter, Registered Merit Reporter,
11 Certified Realtime Reporter, Certified
12 Livenote Reporter, and Notary Public
13 of the State of New York.
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1 HIGHLY CONFIDENTIAL - J. HRASKA

2 Q. Okay. Before I forget, what is your
3 current position at Barclays?

4 A. I am in a very similar role.
5 Corporate title-wise I'm a director, which is
6 equivalent to SVP. I manage, again, Secured
7 Financing Operations for both equities globally
8 and fixed income in North America.

9 Q. Is it fair to say your role is -- your
10 duties and responsibilities are relatively the
11 same as you had when you were at Lehman?

12 A. Responsibilities are reasonably the
13 same, not quite as extensive as they were at
14 Lehman from a global perspective.

15 [REDACTED]
16 A. [REDACTED] reporting line [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]fy
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]

1 HIGHLY CONFIDENTIAL - J. HRASKA

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4 [REDACTED]
5 1 [REDACTED]
6 th [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]
13 [REDACTED]

14 Q. And so what was the haircut associated
15 with the September 18 repo?

16 A. There wasn't a -- there wasn't a
17 specific stated haircut. There was a total loan
18 amount, which was this \$45 billion, and the
19 total collateral value that we were trying to
20 transfer over to Barclays or what we were
21 directed to transfer over to Barclays was
22 approximately \$50 billion.

23 Q. And that \$50 billion was comprised of
24 the approximately \$42 billion in securities that
25 you mentioned earlier plus the cash?

1 HIGHLY CONFIDENTIAL - J. HRASKA

2 A. It turned out that that was the case.
3 It was initially intended to be all collateral,
4 but the market value of what we were to transfer
5 initially was \$50 billion.

6 Q. Okay. And Barclays was, after the --
7 after they received the proceeds of the loan and
8 the collateral, was Barclays satisfied that it
9 had received the entire amount of collateral
10 that it was expecting with respect to that repo?

11 MR. SHAW: Objection. Foundation.

12 A. Yeah, I don't know whether they were
13 satisfied or not. I mean, we completed the
14 securities transfers until the point that we
15 couldn't make any transfers because the system
16 had been shut down, and we were requested at
17 that point to deliver an additional 7 billion in
18 cash, which we did.

19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]